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IDENTITY AND BENEFIT FRAUD

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ICE IBF Investigations

- ICE identity and benefit fraud investigations support the Homeland Security mission by investigating immigration fraud in all its forms.
- Target individuals and organizations who subvert the legitimate immigration process and pose a potential threat to national security.
- Identity and benefit fraud present a vulnerability by which criminal and terrorist organizations can obtain unrestricted entry or status in the United States.



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Types of Fraud

- Immigration fraud underlies human trafficking and alien smuggling, enables the improper access of individuals to critical infrastructure worksites and shields violators from detection. ICE immigration fraud investigations are primarily focused into two categories.
- **Benefit Fraud** - The knowing and willful misrepresentation of material fact on a petition or application to gain an immigration benefit.
- **Document Fraud** - Is generally the manufacturing, counterfeiting, alteration, sale, and/or use of identity documents and other fraudulent documents to circumvent immigration laws or for other criminal activity.



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Document Fraud



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Document Fraud

*Document Making Implements, Seized Fraudulent Documents
and Undercover Surveillance of Counterfeit Document Sale*



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Document Fraud

- The manufacturing, counterfeiting, alteration, sale, and/or use of identity documents and other fraudulent documents to circumvent immigration laws or for other criminal activity.
 - Unlike benefit fraud, document fraud does not in and of itself confer lawful status upon the perpetrator.
 - Identity theft often links the perpetrators identity to the legitimate identity of a innocent individual to obtain immigration and financial benefits.



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Vulnerabilities resulting from Fraudulent Documents

- Often used as “breeder” documents to obtain additional identification documents such as drivers licenses, social security cards, etc.
- Shield illegal aliens from detection within our society.
- Obtains financial benefits and entitlements intended for US Citizens or lawful permanent residents.
- Used by traffickers and alien smugglers to facilitate movement into and within the United States.
- Obtain unauthorized employment.



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Op. Card Shark

- 4 year investigation focused on the numerous fraudulent document-vending organizations in Washington, DC and Northern Virginia
- Targeted the “mills” that manufacture the documents
- 7 mills shut down, 10,000 documents seized, with street value of over \$1,000,000
- 60 criminal prosecutions, 200 illegal aliens apprehended
- Major disruption of 3 organizations



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Benefit Fraud



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Benefit Fraud

Seized Fraudulent Benefit Applications
and Arrest of Benefit Fraud Conspirator



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Benefit Fraud

- The knowing and willful misrepresentation of material fact on a petition or application to gain an immigration benefit.
 - Benefit Fraud is an extremely lucrative form of crime, complex and challenging to investigate, often involving sophisticated schemes and multiple co-conspirators requiring substantial resources to investigate and prosecute.
 - Immigration benefits -- the ability to “legally” enter, work, or reside in the United States is the goal of every immigrant.
 - Because immigration benefits confer lawful status upon an individual, their value to illegal aliens, as well as to terrorists and criminals, is immense whether they are legitimately entitled to them or not.



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Employment Based Fraud

- Front companies file hundreds or thousands of petitions for workers they never intend to employ and for jobs that do not exist.
- Counterfeit supporting documents (i.e. school transcripts, letter of reference, training certifications).
- Often leads to the filing for real and fictitious family members.
- Can lead to Permanent Resident Alien (Green Card) Status.



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Cybersoftec, Inc

- NJ Information Technology company that filed approximately 1000 petitions for both immigrants and non-immigrant computer consultants from India and Pakistan.
- Up to \$10,000 charged per alien for visa petition packages (USCIS application/Labor certification and supporting documents).
- CYBERSOFTEC filed over 1,000 immigrant and non immigrant petitions.
- Company President Nick MANDALAPA arrested and charged with fraud and misuse of visas. Superseding indictment included money laundering.
- Jan 06, seized bank and brokerage accounts totaling \$5.7 million.
- In November 2005 MANDALAPA was arrested and on June 19, MANDALAPA pled guilty to one count of 18 USC1546. On January 22, 2007, MANDALAPA was sentenced to 20 months incarceration and the judge ordered full forfeiture of the \$5.7 million.



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Marriage Fraud

- Generally a broker or facilitator recruits a U.S. citizen to marry an alien.
- The facilitators charge as much as \$60,000.
- U.S. citizen typically earns approximately \$1,000 - \$6,000.
- The alien qualifies for lawful permanent residence status.
- The facilitator will coach both the alien and U.S. citizen on the questions they will likely be asked during interviews by U.S. Citizenship and Immigration Services.
- Schemes often involve fraudulent "joint" utility bills and bank statements.



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Arlington Marriage Fraud

- This DBFTF investigation targets a loose network of fraud facilitators attempting to arrange fraudulent marriages for Ghanaian, Indonesian and Egyptian nationals.
- This organization has arranged hundreds of fraudulent marriages. The majority of facilitators and arrangers are Ghanaians located in Virginia.
- It is estimated that the facilitators made \$3,000-\$4,000 profit per client.
- In September, 2006, SAC Washington, D.C. agents executed 20 criminal federal arrest warrants, 13 administrative arrests, 7 federal search warrants, and two consent searches.
- Samuel ACQUAH, one of the primary facilitators and a naturalized U.S. citizen from Ghana, was employed as a GS-14 Patent Examiner with the Department of Commerce Patent and Trademark Office. ACQUAH was sentenced to 40 months incarceration for violations of 18 USC 1546 (Visa Fraud) and 18 USC 371 (Conspiracy).
- All 20 defendants have pled guilty and seven have been sentenced. The Washington, D.C. Field Office has opened a parallel investigation to identify the facilitator's assets.



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Asylum Fraud

- In general, the United States does not have any quotas on the number of individuals who may be granted asylum each year.
- Grounds for approval rely on an alien being present in the U.S., irrespective of legal status and who meets the definition of refugee by establishing:
 - Past persecution, or
 - Well-founded fear of future persecution
 - On account of race, religion, nationality, political opinion, or membership in a particular social group (protected grounds)
- Asylum applicants are not required to furnish documents, but must establish identity and eligibility as refugee.
- Applicants may furnish documents to establish identity or support a claim, but asylum adjudications rely on credible testimony that is easily falsified.



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Operation Jakarta

- A two year EDVA Task Force (DBFTF) investigation of the Chinese Indonesian American Society (CIAS).
- The individuals associated with CIAS prepared and submitted fraudulent applications for a wide variety of government benefits, primarily to citizens and nationals of Indonesia.
- The benefits included asylum in the United States and alien labor certifications. The case involved U.S. passports, Virginia driver's licenses, Virginia identification cards, Social Security cards and bank account numbers.
- CIAS filed over 1000 primary fraudulent asylum claims and a total of over 3000 immigration benefit applications with USCIS.
- To date, 20 arrested defendants have plead guilty and been ordered to forfeit a total of approximately \$400,000.00 while three (3) homes (estimated at \$800,000 each) are currently in asset forfeiture proceedings. Thus far, the defendants have received sentences ranging from fourteen (14) months to ten (10) or more years.



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Headquarters Identity and Benefit Fraud Unit Initiatives



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Document and Benefit Fraud Task Forces

- Established 17 Document and Benefit Fraud Task Forces.
- Participating Agencies
 - U.S. Citizenship and Immigration Services
 - U.S. Department of Labor – Office of the Inspector General
 - U.S. Department of State – Office of the Inspector General
 - U.S. Department of State – Bureau of Diplomatic Security
 - U.S. Social Security Administration – Office of the Inspector General
 - U.S. Secret Service
 - United States Attorneys
 - State and local agencies
- These task forces target, seize illicit proceeds of, and dismantle the criminal organizations that threaten national security and public safety and address the vulnerabilities that currently exist in the immigration process.



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Document and Benefit Fraud Task Forces Locations



Goals and Mission Statement Document and Benefit Fraud

- To detect, deter, and disrupt major criminal enterprises and individuals that pose a threat to the national security and public safety through the perpetration of identity and benefit fraud
- To seize illicit proceeds from these criminal organizations and individuals and criminally prosecute violators.
- To address the vulnerabilities that currently exist in the immigration process.



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DBFTF Statistics (all U.S.) from April 4, 2006 through June 30, 2007

- Cases Initiated – 807
- Criminal Arrests- 759
- Indictments – 534
- Convictions – 461



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Partnering with ICE DBFTF

- By partnering with ICE through a DBFTF, agencies will contribute in targeting criminal organizations, seizing illicit proceeds and dismantling the infrastructures that threaten our national security and public safety. These task forces also address the vulnerabilities that currently exist in the immigration, labor, visa and other areas threatened by these organizations.
- Some of the benefits of partnering with ICE in a DBFTF are:
- TECS Case Management System: a unified case management system affording shared information and greater communication between agencies.
- SLOT money: state and local money that may reimburse local agencies for authorized expenses such as overtime pay.
- Forensic Document Lab (FDL): provides needed documents to investigate a case, such those given to an informant.
- Law Enforcement Support Center (LESC): can run checks on individuals.
- Financial seizures/major case funding: potential assets shared upon completion of cases.
- Requests for collateral investigations: the ability to utilize resources that a local or state office might not possess.



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Thank You

QUESTIONS?



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